

“(2) buildings on military reservations authorized by regulation to be used for morale, welfare, and recreational purposes.”  
1997—Pub. L. 105–85 renumbered section 2490 of this title as this section.

**§ 2869. Exchange of property at military installations**

(a) EXCHANGE AUTHORIZED.—(1) The Secretary concerned may enter into an agreement to convey real property, including any improvements thereon, described in paragraph (2) to any person who agrees, in exchange for the real property, to transfer to the United States all right, title, and interest of the person in and to a parcel of real property, including any improvements thereon under the person’s control, or to carry out a land acquisition, including the acquisition of all right, title, and interest or a lesser interest in real property under an agreement entered into under section 2684a of this title to limit encroachments and other constraints on military training, testing, and operations.

(2) Paragraph (1) applies with respect to real property under the jurisdiction of the Secretary concerned that—

(A) is located on a military installation that is closed or realigned under a base closure law; or

(B) is located on a military installation not covered by subparagraph (A) and is determined to be excess to the needs of the Department of Defense.

(b) CONDITIONS ON CONVEYANCE AUTHORITY.—The fair market value of the land to be obtained by the Secretary concerned under subsection (a) in exchange for the conveyance of real property by the Secretary under such subsection shall be at least equal to the fair market value of the conveyed real property, as determined by the Secretary. If the fair market value of the land is less than the fair market value of the real property to be conveyed, the recipient of the property shall pay to the United States an amount equal to the difference in the fair market values.

(c) LIMITATION ON USE OF CONVEYANCE AUTHORITY AT INSTALLATIONS CLOSED UNDER BASE CLOSURE LAWS.—The authority under subsection (a)(2)(A) to convey property located on a military installation may only be used to the extent the conveyance is consistent with an approved redevelopment plan for such installation.

(d) ADVANCE NOTICE OF USE OF AUTHORITY.—(1) Notice of the proposed use of the conveyance authority provided by subsection (a) shall be provided in such manner as the Secretary of Defense may prescribe, including publication in the Federal Register and otherwise. When real property located at a military installation is proposed for conveyance by means of a public sale, the Secretary concerned may notify prospective purchasers that consideration for the property may be provided in the manner authorized by such subsection.

(2) The Secretary concerned may not enter into an agreement under subsection (a) for the conveyance of real property until—

(A) the Secretary submits to Congress notice of the conveyance, including—

(i) a description of the real property to be conveyed by the Secretary under the agreement;

(ii) a description of the land acquisition to be carried out under the agreement in exchange for the conveyance of the property; and

(iii) the amount of any payment to be made under subsection (b) or under section 2684a(d) of this title to equalize the fair market values of the property to be conveyed and the land acquisition to be carried out under the agreement in exchange for the conveyance of the property; and

(B) the waiting period applicable to that notice under paragraph (3) expires.

(3) If the notice submitted under paragraph (2) deals with the conveyance of real property located on a military installation that is closed or realigned under a base closure law or the conveyance of real property under an agreement entered into under section 2684a of this title, the Secretary concerned may enter into the agreement under subsection (a) for the conveyance of the property after a period of 21 days has elapsed from the date of receipt of the notice or, if over sooner, a period of 14 days has elapsed from the date on which a copy of the notice is provided in an electronic medium pursuant to section 480 of this title. In the case of other real property to be conveyed under subsection (a), the Secretary concerned may enter into the agreement only after a period of 60 days has elapsed from the date of receipt of the notice or, if over sooner, a period of 45 days has elapsed from the date on which the electronic copy is provided.

(e) DEPOSIT AND USE OF FUNDS.—The Secretary concerned shall deposit funds received under subsection (b) in the appropriation “Foreign Currency Fluctuations, Construction, Defense”. The funds deposited shall be available, in such amounts as provided in appropriation Acts, for the purpose of paying increased costs of overseas military construction and family housing construction or improvement associated with unfavorable fluctuations in currency exchange rates. The use of such funds for this purpose does not relieve the Secretary concerned from the duty to provide advance notice to Congress under section 2853(c) of this title whenever the Secretary approves an increase in the cost of an overseas project under such section.

(f) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of real property conveyed under subsection (a) shall be determined by surveys satisfactory to the Secretary concerned.

(g) ADDITIONAL TERMS AND CONDITIONS.—The Secretary concerned may require such additional terms and conditions in connection with a conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

(Added Pub. L. 108–136, div. B, title XXVIII, § 2805(a)(1), Nov. 24, 2003, 117 Stat. 1719; amended Pub. L. 109–364, div. B, title XXVIII, § 2811(a)–(f)(1), Oct. 17, 2006, 120 Stat. 2471–2473; Pub. L. 111–84, div. B, title XXVIII, § 2804(a)–(d)(1), Oct. 28, 2009, 123 Stat. 2661, 2662; Pub. L. 112–81, div. B, title XXVIII, § 2815(a), (b),

Dec. 31, 2011, 125 Stat. 1688, 1689; Pub. L. 112-239, div. B, title XXVIII, § 2811, Jan. 2, 2013, 126 Stat. 2150.)

#### AMENDMENTS

2013—Subsec. (a)(1). Pub. L. 112-239 substituted “any person” for “any eligible entity”, “the person” for “the entity”, and “the person’s control” for “their control”.

2011—Pub. L. 112-81, § 2815(a)(1), substituted “Exchange of property at military installations” for “Conveyance of property at military installations to limit encroachment” in section catchline.

Subsec. (a). Pub. L. 112-81, § 2815(a)(2)(A), substituted “Exchange Authorized” for “Conveyance Authorized; Consideration” in heading.

Subsec. (a)(1). Pub. L. 112-81, § 2815(a)(2)(B), substituted “to any eligible entity who agrees, in exchange for the real property, to transfer to the United States all right, title, and interest of the entity in and to a parcel of real property, including any improvements thereon under their control, or to carry out a land acquisition” for “to any person who agrees, in exchange for the real property, to carry out a land acquisition”.

Subsecs. (f) to (h). Pub. L. 112-81, § 2815(b), redesignated subsecs. (g) and (h) as (f) and (g), respectively, and struck out former subsec. (f), which provided that authority to enter into an agreement under this section would expire on September 30, 2013.

2009—Pub. L. 111-84, § 2804(d)(1), amended section catchline generally. Prior to amendment, catchline read as follows: “Conveyance of property at military installations to support military construction or limit encroachment”.

Subsec. (a)(1). Pub. L. 111-84, § 2804(a)(1)(A), struck out subpar. (A) designation before “to carry out”, substituted “real property,” for “real property—”, “to carry out a land acquisition” for “to carry out a military construction project or land acquisition”, and a period for “; or”, and struck out subpar. (B) which read as follows: “to transfer to the Secretary concerned housing that is constructed or provided by the person and located at or near a military installation at which there is a shortage of suitable military family housing, military unaccompanied housing, or both.”

Subsec. (a)(3). Pub. L. 111-84, § 2804(a)(1)(B), struck out par. (3) which read as follows: “Subparagraph (B) of paragraph (2) shall apply only during the period beginning on the date of the enactment of the John Warner National Defense Authorization Act for Fiscal Year 2007 and ending on September 30, 2008. Any conveyance of real property described in such subparagraph for which the Secretary concerned has provided the advance public notice required by subsection (d)(1) before the expiration date may be completed after that date.”

Subsec. (b). Pub. L. 111-84, § 2804(a)(2), substituted “fair market value of the land” for “fair market value of the military construction, military family housing, or military unaccompanied housing” in two places.

Subsec. (c). Pub. L. 111-84, § 2804(a)(3), added subsec. (c) and struck out former subsec. (c) which related to pilot program for use of conveyance authority.

Subsec. (d)(2)(A)(ii), (iii). Pub. L. 111-84, § 2804(a)(4), substituted “land acquisition” for “military construction project, land acquisition, military family housing, or military unaccompanied housing”.

Subsec. (e). Pub. L. 111-84, § 2804(b), designated par. (3) as entire subsec., substituted “The Secretary concerned shall deposit funds received under subsection (b) in the appropriation ‘Foreign Currency Fluctuations, Construction, Defense’. The funds deposited shall be available” for “The funds deposited under paragraph (2) shall be available”, and struck out pars. (1) and (2), which read as follows:

“(1) Except as provided in paragraph (2), the Secretary concerned may deposit funds received under subsection (b) in the Department of Defense housing funds established under section 2883(a) of this title.

“(2) During the period specified in paragraph (3) of subsection (a), the Secretary concerned shall deposit

funds received under subsection (b) in the appropriation ‘Foreign Currency Fluctuations, Construction, Defense’.”

Subsec. (f). Pub. L. 111-84, § 2804(c), amended subsec. (f) generally. Prior to amendment, subsec. (f) related to annual reports on conveyances and effect of failure to submit report.

2006—Pub. L. 109-364, § 2811(f)(1), substituted “to support military construction or limit encroachment” for “closed or realigned to support military construction” in section catchline.

Subsec. (a). Pub. L. 109-364, § 2811(a), (b), designated existing provisions as par. (1), in introductory provisions substituted “described in paragraph (2)” for “located on a military installation that is closed or realigned under a base closure law”, redesignated former pars. (1) and (2) as subpars. (A) and (B), respectively, in subpar. (A) substituted “land acquisition, including the acquisition of all right, title, and interest or a lesser interest in real property under an agreement entered into under section 2684a of this title to limit encroachments and other constraints on military training, testing, and operations” for “land acquisition”, and added pars. (2) and (3).

Subsec. (d)(1). Pub. L. 109-364, § 2811(c)(1), substituted “is proposed for conveyance” for “closed or realigned under the base closure laws is to be conveyed”.

Subsec. (d)(2), (3). Pub. L. 109-364, § 2811(c)(2), added pars. (2) and (3) and struck out former par. (2) which read as follows: “The Secretary concerned may not enter into an agreement under subsection (a) for the conveyance of real property until—

“(A) the Secretary submits to Congress notice of the conveyance, including the military construction activities, military family housing, or military unaccompanied housing to be obtained in exchange for the conveyance; and

“(B) a period of 14 days expires beginning on the date on which the notice is submitted.”

Subsec. (e). Pub. L. 109-364, § 2811(d), amended heading and text of subsec. (e) generally. Prior to amendment, text read as follows: “The Secretary concerned may deposit funds received under subsection (b) in the Department of Defense housing funds established under section 2883(a) of this title.”

Subsec. (f). Pub. L. 109-364, § 2811(e), in heading substituted “Annual Reports; Effect of Failure to Submit” for “Annual Report”, designated existing provisions as par. (1), in introductory provisions substituted “Not later than March 15 of each year, the Secretary of Defense shall submit to Congress a report detailing the following:” for “In the budget materials submitted to Congress in connection with the submission of the budget for a fiscal year pursuant to section 1105 of title 31, the Secretary of Defense shall include a report detailing the following:”, redesignated former pars. (1) to (3) as subpars. (A) to (C), respectively, in subpar. (C) inserted “and of excess real property at military installations” before period at end, and added par. (2).

#### SUBCHAPTER IV—ALTERNATIVE AUTHORITY FOR ACQUISITION AND IMPROVEMENT OF MILITARY HOUSING

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